

Northern States Power Companies FERC Order No. 890 Strawman Overview

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Summary

- ▶ NSP and NSP(Wisconsin) (NSP Companies)
 - approximately 7100 miles of transmission
 - Parts of 5 states
 - Minnesota,
 - North Dakota,
 - South Dakota,
 - Wisconsin,
 - Upper Peninsula of Michigan
 - Two companies; one integrated system.
- ▶ Part of Xcel Energy Inc.
 - Public Service Company of Colorado (in WECC) and
 - Southwestern Public Service Company (in SPP).
- ▶ The NSP Companies are a member of the MISO RTO. Access to the NSP Companies' system is available through Midwest ISO Open Access Transmission and Energy Markets Tariff.

NSP System Planning

- ▶ NSP Companies conduct planning for the integrated NSP System to serve all the connected NSP System load
 - Includes investor owned, cooperative and municipal LSE's
 - NSP plans subject to MISO review and MTEP process
- ▶ NSP Companies were historically a member of the Mid-Continent Area Power Pool (MAPP), which has used various levels of regional planning since it's formation.
- ▶ NSP participates in:
 - Annual MISO Transmission Expansion Planning Process (MTEP)
 - The MAPP TPSC Sub Regional Planning Groups (Northern MAPP and Missouri–Basin SPG's)
 - State level planning processes.

NSP System Planning

- ▶ Generation Interconnection and Transmission Service planning led by MISO
 - NSP Companies participate in these studies.

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• 1. Coordination

- ✓ Coordinate through various forum
 - ✓ MISO MTEP Process
 - ✓ MAPP Regional Transmission Committee (RTC) 10 year plan process
 - ✓ MAPP sub-regional planning groups (SPGs)
 - ✓ Minnesota Biennial Transmission Planning Report process
 - ✓ Wisconsin Strategic Energy Assessment
 - ✓ Other Coordinated state and utility planning process

• 2. Openness

- ✓ MISO, MAPP SPG meetings, state and other processes
 - ✓ Open public processes and meetings
 - ✓ Stakeholder
 - ✓ Non Disclosure and confidentiality agreements

• 3. Transparency

- ✓ Criteria ,assumptions publicly available available
- ✓ NERC and Midwest Reliability Organization (MRO) standards
- ✓ MAPP Members Reliability Criteria and Study Procedures Manual

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• 4. Information Exchange

- ✓MAPP TPSC Sub Regional Planning Group Guidelines
- ✓Customers provide annual forecast updates
- ✓Detailed MISO process for collecting and sharing Generation Interconnection data

✓5. Comparability

- ✓MISO administers all new transmission service on NSP System. All customers treated comparably
- ✓ MAPP procedures Manual for Regional Planning requires comparable treatment
- ✓900 MW of demand response on a 9000 MW system. MN statute requires comparable basis .

•6. Dispute resolution

- ✓NSP Companies and customers subject to procedures set forth in the MISO Transmission Owners Agreement and the TEMT
- ✓ MAPP 10 year plan - MAPP dispute resolution procedures
- ✓State planning processes are regulatory dockets – dispute resolution inherent to the process

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•7. Regional Participation

- ✓ Extensive coordination through
 - ✓MISO MTEP
 - ✓MAPP 10 year Regional plan
 - ✓Minnesota biennial planning report
 - ✓Wisconsin Strategic Energy Assessment
 - ✓Other planning processes.
- ✓MISO MTEP process provides coordinate planning for entire 15 state MISO footprint
- ✓Frequent meetings with adjacent transmission owners

•8. Economic Planning Studies

- ✓ Congestion addressed by the MISO and/or MAPP process
- ✓NSP Companies Participate

•9. Cost Allocation

- ✓MISO a leader in cost allocation methods for regional expansion projects
- ✓NSP System pricing zone